

AMENDED IN ASSEMBLY MARCH 25, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 719**

---

**Introduced by Assembly Members Block and Lara**  
**(Coauthor: Assembly Member Fletcher)**  
(Coauthors: Senators Padilla and Vargas)

February 17, 2011

---

An act to amend Section 56836.155 of the Education Code, relating to special education.

LEGISLATIVE COUNSEL'S DIGEST

AB 719, as amended, Block. Special education: funding.

Existing law, *until July 1, 2011*, requires the Superintendent of Public Instruction to make prescribed computations each fiscal year to determine ~~the amount of funding~~ *an adjusted entitlement* to be apportioned to each special education local plan area *for each incidence of disability*.

*This bill would instead provide that these provisions would remain in effect indefinitely by deleting the repeal date. The bill would provide that the Superintendent shall perform the prescribed calculations to determine the adjusted entitlement of each special education local plan area for the incidence of disabilities for the 2011–12 to 2014–15 fiscal years, inclusive, as specified. This bill would state the intent of the Legislature to enact legislation that would update the severity service multiplier that will be used in the special disabilities adjustment formula and that this change use data from the special education incidence study results that the State Department of Education will submit to the Legislature on or before April 1, 2011 collected in, or after, 2008 to identify high-need special education local plan areas eligible to receive*

*an adjusted apportionment. This bill would state the intent of the Legislature to provide that the calculation performed by the Superintendent, to determine an adjusted entitlement for each special education local plan area, increasingly be based upon a severity service concentration factor in the 2011–12 to 2015–16 fiscal years, inclusive, as specified.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Since the establishment of the Poochigian and Davis Special  
4 Education Reform Act (Ch. 854, Stats. 1997 (A.B. ~~602~~, 602)),  
5 which changed California's special education funding structure  
6 from a resource-based to a primarily census-based approach, the  
7 state has always set aside sufficient funds to account for differing  
8 incidences of pupils with severe *and high-cost* disabilities across  
9 special education local plan areas.

10 (b) The Legislature continues to recognize the importance of  
11 distributing special education funding with a formula that takes  
12 into account the differing incidences of severe *and high-cost*  
13 disabilities. For this reason, it has been, and remains, the intent of  
14 the Legislature to provide a severity service concentration factor  
15 to each special education local plan area in order to mitigate the  
16 extraordinary costs for schools with particularly high  
17 concentrations of pupils with severe and high-cost disabilities.

18 (c) The Legislature is committed to ensuring that the severity  
19 service concentration factor is based on sound data. To this end,  
20 it is the intent of the Legislature that the severity service  
21 concentration factor for each special education local plan area be  
22 ~~updated using data from the special education incidence study~~  
23 ~~results that the State Department of Education will submit to the~~  
24 ~~Legislature on or before April 1, 2011.~~

25 ~~SEC. 2. It is the intent of the Legislature to enact legislation~~  
26 ~~that would update the severity service multiplier that will be used~~  
27 ~~in the special disabilities adjustment formula starting on July 1,~~  
28 ~~2011. It is further the intent of the Legislature that this change use~~  
29 ~~data from the special education incidence study results that the~~

1 ~~State Department of Education will submit to the Legislature on~~  
2 ~~or before April 1, 2011, updated using data from recent years.~~

3 *(d) The Legislature is committed to providing a steady transition*  
4 *between service concentration factors so that changes in severity*  
5 *status do not create devastating funding instabilities for impacted*  
6 *school districts. A severe reduction in state-funded services from*  
7 *just one year to the next has a negative effect on pupils. To this*  
8 *end, it is the intent of the Legislature that the transition to a new*  
9 *disbursement of severity service funds take place over a five-year*  
10 *period beginning in the 2011–12 fiscal year.*

11 *SEC. 2. Section 56836.155 of the Education Code is amended*  
12 *to read:*

13 56836.155. (a) On or before November 2, 1998, the  
14 department, in conjunction with the Legislative Analyst’s Office,  
15 shall do the following:

16 (1) Calculate an “incidence multiplier” for each special  
17 education local plan area using the definition, methodology, and  
18 data provided in the final report submitted by the American  
19 Institutes for Research pursuant to Section 67 of Chapter 854 of  
20 the Statutes of 1997.

21 (2) Submit the incidence multiplier for each special education  
22 local plan area and supporting data to the Department of Finance.

23 (b) The Department of Finance shall review the incidence  
24 multiplier for each special education local plan area and the  
25 supporting data, and report any errors to the department and the  
26 Legislative Analyst’s Office for correction.

27 (c) The Department of Finance shall approve the final incidence  
28 multiplier for each special education local plan area by November  
29 23, 1998.

30 (d) For the 1998–99 fiscal year and each fiscal year thereafter  
31 to and including the 2010–11 fiscal year, the Superintendent shall  
32 perform the following calculation to determine the adjusted  
33 entitlement of each special education local plan area for the  
34 incidence of disabilities:

35 (1) The incidence multiplier for the special education local plan  
36 area shall be multiplied by the statewide target amount per unit of  
37 average daily attendance for special education local plan areas  
38 determined pursuant to Section 56836.11 for the fiscal year in  
39 which the computation is made.

(2) The amount determined pursuant to paragraph (1) shall be added to the statewide target amount per unit of average daily attendance for special education local plan area determined pursuant to Section 56836.11 for the fiscal year in which the computation is made.

(3) Subtract the amount of funding for the special education local plan area determined pursuant to paragraph (1) of subdivision (a) or paragraph (1) of subdivision (b) of Section 56836.08, as appropriate for the fiscal year in which the computation is made, or the statewide target amount per unit of average daily attendance for special education local plan areas determined pursuant to Section 56836.11 for the fiscal year in which the computation is made, whichever is greater, from the amount determined pursuant to paragraph (2). For the purposes of this paragraph for the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, 2009–10, and 2010–11 fiscal years, the amount, if any, received pursuant to Section 56836.159 shall be excluded from the funding level per unit of average daily attendance for a special education local plan area. If the result is less than zero, the special education local plan area shall not receive an adjusted entitlement for the incidence of disabilities.

(4) Multiply the amount determined in paragraph (3) by either the average daily attendance reported for the special education local plan area for the fiscal year in which the computation is made, as adjusted pursuant to subdivision (a) of Section 56836.15, or the average daily attendance reported for the special education local plan area for the prior fiscal year, as adjusted pursuant to subdivision (a) of Section ~~56826.15~~ 56836.15, whichever is less.

(5) If there are insufficient funds appropriated in the fiscal year for which the computation is made for the purposes of this section, the amount received by each special education local plan area shall be prorated.

(e) For the 1997–98 fiscal year, the Superintendent shall perform the calculation in paragraphs (1) to (3), inclusive, of paragraph (d) only for the purposes of making the computation in paragraph (1) of subdivision (d) of Section 56836.08, but the special education local plan area shall not receive an adjusted entitlement for the incidence of disabilities pursuant to this section for the 1997–98 fiscal year.

~~(f) This section shall become inoperative on July 1, 2011, and, as of January 1, 2012, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2012, deletes or extends the dates on which it becomes inoperative and is repealed.~~

*(f) It is the intent of the Legislature to amend this section to provide that the calculation performed by the Superintendent to determine an adjusted entitlement for each special education local plan area, pursuant to this section, take into account data collected in, or after, 2008, to identify high-need special education local plan areas eligible to receive an adjusted apportionment based upon a severity service concentration factor in the 2011–12 to 2015–16 fiscal years, inclusive. It is the intent of the Legislature that the transition between use of the current calculation pursuant to subdivisions (a) to (d), inclusive, and the updated calculation, using a severity service concentration factor, shall take place over a five-year period in order to mitigate the effect on pupils in special education local plan areas that suffer a severe reduction in services from one year to the next.*

*(g) For the 2011–12 fiscal year only, the Superintendent shall allocate 90 percent of the funds appropriated for the purposes of this section pursuant to subdivisions (a) to (d), inclusive. It is the intent of the Legislature that the remaining 10 percent of the funds appropriated for the purposes of this section be allocated pursuant to a calculation using a severity service concentration factor pursuant to subdivision (f).*

*(h) For the 2012–13 fiscal year only, the Superintendent shall allocate 75 percent of the funds appropriated for the purposes of this section pursuant to subdivisions (a) to (d), inclusive. It is the intent of the Legislature that the remaining 25 percent of the funds appropriated for the purposes of this section be allocated pursuant to a calculation using a severity service concentration factor pursuant to subdivision (f).*

*(i) For the 2013–14 fiscal year only, the Superintendent shall allocate 50 percent of the funds appropriated for the purposes of this section pursuant to subdivisions (a) to (d), inclusive. It is the intent of the Legislature that the remaining 50 percent of the funds appropriated for the purposes of this section be allocated pursuant to a calculation using a severity service concentration factor pursuant to subdivision (f).*

1     (j) For the 2014–15 fiscal year only, the Superintendent shall  
2     allocate 25 percent of the funds appropriated for the purposes of  
3     this section pursuant to subdivisions (a) to (d), inclusive. It is the  
4     intent of the Legislature that the remaining 75 percent of the funds  
5     appropriated for the purposes of this section be allocated pursuant  
6     to a calculation using a severity service concentration factor  
7     pursuant to subdivision (f).

8     (k) It is the intent of the Legislature, that for the 2015–16 fiscal  
9     year only, the Superintendent shall allocate 100 percent of the  
10    funds appropriated for the purposes of this section pursuant to a  
11    calculation using a severity service concentration factor pursuant  
12    to subdivision (f).

13    (l) Funding for the purposes of subdivisions (g) to (k), inclusive,  
14    shall be contingent upon an appropriation made in the annual  
15    Budget Act or an appropriation contained in another measure.